

On April 14, 2008, the House of Representatives passed H.R. 4881, the Contracting and Tax Accountability Act of 2007, which prohibits companies with seriously delinquent federal tax debts from receiving new contracts.

Chairman Waxman made the following statement on the floor of the House in support of the bill:

H.R. 4881, introduced by Rep. Ellsworth, would prohibit the award of federal contracts to companies that don't pay their federal taxes.

It accomplishes this by requiring contractors to certify that they do not have a seriously delinquent debt and to authorize the Treasury Department to disclose such information to contracting agencies.

To me, this is simple common sense. The federal government should not be granting federal contracts to companies that won't pay their taxes.

Companies that cheat on their taxes have an unfair competitive advantage when bidding for federal contracts because their costs are lower. This bill will level the playing field and restore fairness to the federal procurement system.

This issue has been raised many times over the past few years. And resolving it has been complicated by jurisdictional concerns arising in other Committees.

Reps. Towns and Ellsworth have put a lot of time and effort into addressing those concerns, and in crafting a very good bill. I want to thank them for all of their hard work.

The minority also raised some concerns regarding previous versions of this legislation, and I also want to thank Rep. Davis for working constructively with us to address those issues.

The end product before us today is solid legislation which should have bipartisan support, and which I hope will address this issue once and for all.

I urge members to support H.R. 4881.